



NO. VLC-S-B-110732
VANCOUVER REGISTRY
ESTATE NOS. 11-253244, 11-253245 and 11-253246

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN BANKRUPTCY AND INSOLVENCY

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
PLEASE MUM PARTNERSHIP
ELIA FASHIONS LTD.
BOSSA NOVA FASHIONS LTD.**

REQUISITION – GENERAL

FILED BY: PLEASE MUM PARTNERSHIP
ELIA FASHIONS LTD.
BOSSA NOVA FASHIONS LTD. (THE "APPLICANTS")

REQUIRED: To reschedule the application to extend the time to file a Proposal (Notice of Application dated September 14, 2011 attached hereto as Schedule "A") to **Friday, September 30, 2011 at 9 a.m.**, by consent.

The Honourable Mr. Justice Burnyeat is seized of the proceedings.

This matter is expected to be contentious and therefore the application is estimated to take two hours.

DATED: September 21, 2011



JOHN R. SANDRELLI
Solicitor for the Applicants

THIS REQUISITION is filed by the firm of FMC Law, Barristers and Solicitors, 250 Howe Street, 20th Floor, Vancouver, British Columbia, V6C 3R8, T: (604) 687-4460, Attention: John R. Sandrelli.

SCHEDULE "A"

No. VLC-S-B-110732
VANCOUVER REGISTRY
Estate No's 11-253244, 11-253245, and 11-253246

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IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF

**PLEASE MUM PARTNERSHIP
ELIA FASHIONS LTD.
BOSSA NOVA FASHIONS LTD.**

NOTICE OF APPLICATION

(ORDER FOR EXTENSION OF TIME TO MAKE A PROPOSAL)

APPLICANTS: PLEASE MUM PARTNERSHIP, ELIA FASHIONS LTD. AND
BOSSA NOVA FASHIONS LTD. (COLLECTIVELY,
"PLEASE MUM" OR "THE COMPANY")

TO: THE PARTIES LISTED ON ATTACHED SCHEDULE "A"

TAKE NOTICE that an application will be made by the Applicants to the Honourable Mr. Justice Burnyeat the courthouse at 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia on **Tuesday, September 20, 2011 at 9:00 a.m.** for an Order, substantially in the draft form described in Part 1 below and such other and further relief as Counsel for the Petitioner may request and this Honourable Court deems just.

PART 1: ORDER SOUGHT

1. An Order, substantially in the draft form attached hereto as **SCHEDULE "B"** extending time for filing of a Proposal by Please Mum for a period of 45 days to October 15, 2011.

PART 2: FACTUAL BASIS

1. On July 7, 2011, Please Mum filed a Notice of Intention to Make a Proposal ("NOI") under section 50.4 of the *Bankruptcy and Insolvency Act*. Deloitte & Touche Inc. was appointed as the Proposal Trustee of the Company (the "**Proposal Trustee**").

2. On August 5, 2011, the Company obtained an Order from this Court, extending the time to file a Proposal to September 20, 2011.

3. Since then, the Company has continued to work cooperatively with Royal Bank of Canada ("RBC") to substantially reduce the balance owing on its secured credit facility and with the Proposal Trustee to continue the orderly downsizing of its retail operations and the consolidation of its inventory.

Working with RBC

4. A copy of the Company's cash flow is attached to the Proposal Trustee's Second Report to the Court.

5. At the end of July 2011, approximately \$1.6 million was owed to RBC. As of the date of my Affidavit, the RBC indebtedness has been substantially reduced to approximately \$750,000 through the sale of Please Mum's consolidated inventory and dramatic reduction in operating costs.

6. Please Mum has continued to work cooperatively with RBC and its advisors, Alvarez and Marsal, by providing RBC with requested information and continuing to operate within financial parameters required by RBC.

7. There is a pending sale of property located at 330 Woodland Drive, Vancouver (the "Property") for \$13.35 million, owned by a related entity. RBC holds collateral security over the Property and the sale of the Property is expected to generate more than sufficient proceeds to repay the Company's debt to RBC.

8. The purchase and sale agreement for the Property remains conditional upon the resolution of certain environmental issues. The Company and the related owner have continued to work with the purchaser and their respective environmental consultants have delineated the environmental issues. The testing and remediation work is proceeding favourably, with a view to obtaining approval from the Ministry of the Environment within approximately 90 days so that the remaining subjects to the purchase and sale agreement can be satisfied.

9. Once the sale of the Property is complete, it is anticipated that RBC will be fully paid out.

Further Downsizing of Retail Operations

10. After filing its NOI, Please Mum took immediate steps to drastically reduce its 90 retail stores by issuing notices to landlords pursuant to section 65.2 of the *Bankruptcy and Insolvency Act* to disclaim all of its retail leases except for 21 stores.

11. In order to further reduce its operating costs and optimize the complement of inventory in stores remaining open, Please Mum disclaimed a further eight stores which were closed on August 29, 2011.

12. The downsizing of Please Mum's retail operations has been relatively smooth and there have not been any significant landlord issues other than certain landlords contacting Please Mum to make demand for rents payable during the 30 day disclaimer period.

13. Please Mum, through counsel, has written to those landlords to inform them that Please Mum is not in a position at this time to pay those rents and that the Company is hopeful that this can be addressed in a Proposal.

Further Downsizing of Labour Force

14. On July 8, 2011, Please Mum reduce its labour force from approximately 900 employees to approximately 240 employees working at its head office, warehouse and retail operations.

Since then, Please Mum has further reduced its operating costs by terminating a further 72 employees which were no longer required with the closure of the further eight stores at the end of August 2011.

Please Mum Gift Cards

15. Due to its financial difficulties, Please Mum is not in a position to permit the redemption of any gift cards.

16. In order to minimize the number of customers affected, immediately after the filing of its NOI, Please Mum stopped selling gift cards in its retail stores and e-commerce site and directed its exclusive gift card distributor to do the same. Please Mum ensured that all gift cards were removed from its retail stores and I am

advised by Please Mum's gift card distributor that no gift cards could or have been sold through the distributor since 12:00 am on July 10, 2011.

17. Please Mum, through its counsel, has been corresponding with Consumer Protection BC ("**Consumer Protection**") and informed Consumer Protection that it has stopped selling gift cards and that it is unfortunately not able at this time to permit the redemption of any previously purchased gift cards. These discussions with Consumer Protection remain ongoing.

18. Through its counsel, Please Mum has been providing Consumer Protection with requested information and Please Mum is hopeful that the claims of gift card holders can be addressed through its Proposal.

Extension

19. Please Mum is seeking this further 45 day extension in order to continue with the liquidation of its inventory, move forward with the sale of the Property, continue discussions with interested private investors, financiers and liquidators and develop its Proposal which would preserve Please Mum as a going concern for the benefit of its stakeholders.

PART 3: LEGAL BASIS

1. Section 50.4 of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3
2. the inherent jurisdiction of this Honourable Court.

PART 4: MATERIAL TO BE RELIED ON

1. Pleadings and proceedings previously filed herein;
2. Affidavit #1 of Kathryn Adrian, sworn September 14, 2011;
3. The Proposal Trustee's Second Report to the Court, to be filed; and
4. Such further and other evidence as may be filed.

The Petitioners estimate that the application will take **60 minutes** if unopposed.

This matter is **not** within the jurisdiction of a Master. **The Honourable Mr. Justice Burnyeat is seized of this matter.**

Date: September 14, 2011



Signature Petitioners' Lawyer

To be completed by the Court only:	
Order made	
<input type="checkbox"/> in the terms requested in paragraphs _____ of Part 1 of this Notice of Application	
<input type="checkbox"/> with the following variations and additional terms:	

Date:	_____
	Signature of <input type="checkbox"/> Judge <input type="checkbox"/> Master

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

- discovery: comply with demand for documents
- discovery: production of additional documents
- other matters concerning document discovery
- extend oral discovery
- other matter concerning oral discovery
- amend pleadings
- add/change parties
- summary judgment
- summary trial
- service
- mediation
- adjournments
- proceedings at trial
- case plan orders: amend
- case plan orders: other
- experts